

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 98-0128 ST**

**Use Tax**

**For The Period: 1991-1995**

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**ISSUE(S)**

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2.

Taxpayer protests the imposition of the negligence penalty.

**STATEMENT OF FACTS**

Taxpayer incorporated in Indiana on October 7, 1988 is an interior designer and Inter-net access provider.

I. **Tax Administration** – Penalty

**DISCUSSION**

At issue is whether the taxpayer was negligent in remitting tax due subjecting it to a negligence penalty.

Taxpayer made purchases of tangible personal property where sales tax was not paid at time of purchase and use tax was not self-assessed. 45 IAC 2.2-3-20 clearly states that the purchaser must remit the use tax. The taxpayer made no effort to comply, therefore, the penalty will not be waived.

**FINDING**

The taxpayer's protest is denied.